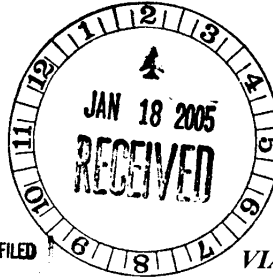


**FIRST UNION RAIL**

One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Tel 847.318.7575  
Fax 847.318.7588

RECORDATION NO. 24261-E FILED



VIA UPS 2<sup>nd</sup> DAY AIR

JAN 19 '05 12:50 PM

January 13, 2005

**SURFACE TRANSPORTATION BOARD**

Mr. Vernon E. Williams  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001  
Attn: Recordation of Railroad Equipment

**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated December 10, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 24261. The names and addresses of the parties to the enclosed document are:

Owner: ATEL Leasing Corporation  
600 California Street, 6<sup>th</sup> Floor  
San Francisco, California 94108

Lessee: PCS Metals, Inc.  
5875 Landerbrook Drive, Suite 200  
Mayfield Heights, Ohio 44124

Lessor/Manager: First Union Rail Corporation  
One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018

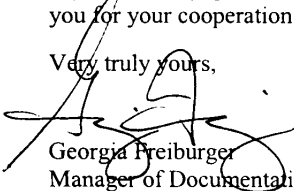
A description of the railroad equipment covered by the enclosed document is twenty-two (22) 5'6" foot sided gondola railcars, with AFCX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$32.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5387. Thank you for your cooperation in this matter.

Very truly yours,

  
Georgia Freiburger  
Manager of Documentation

Enclosures  
(PHSE007)

RECORDATION NO. 24261-E FILED

ASSGN. NO.: PHSE007

MEMORANDUM OF LEASE AND ASSIGNMENT JAN 19 '05 12:50 PM

THIS MEMORANDUM OF LEASE AND ASSIGNMENT (the "Memorandum") is made and entered into on this the 10th day of December, 2004, by and between First Union Rail Corporation, a North Carolina corporation, acting in its capacity as manager for ATEL Leasing Corporation, its successors and assigns, the owner of the Cars, as defined below, ("ATEL"), pursuant to a Railcar Management Agreement dated as of April 1, 2002, as amended, (the "Lessor") and PSC Metals, Inc. ("Lessee"), an Ohio corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Master Lease"), dated as of October 21, 2002, whereby Lessor has agreed to lease to Lessee certain railcars as described more specifically on Exhibit A attached hereto, (the "Cars"), pursuant to Rider No. 7 (the "Rider") which Rider incorporates by reference the terms and condition of the Master Lease and is a separate and independent lease, (the "Lease"), effective as of November 6, 2004, and subject to the terms, conditions and provisions of the above-mentioned Lease.

First Union Rail Corporation, as Lessor, hereby assigns and transfers to ATEL all of its right, title and interest as Lessor in the Lease, excluding from such assignment only its rights as manager of the Lease and Cars under the Railcar Management Agreement.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

**LESSOR:**

FIRST UNION RAIL CORPORATION,  
as MANAGER FOR ATEL Leasing Corporation

ATTEST:

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR  
Vice President Sales & Marketing

By: Susan Grokulsky  
Name: Susan Grokulsky  
Title: MANAGER OF DOCUMENTATION

Title: \_\_\_\_\_  
Executed on this 10th day of December, 2004.

STATE OF ILLINOIS

COUNTY OF COOK

I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 10th day of December, 2004

Georgia Freiburger  
Notary Public

My Commission Expires:

5-2008  
(Notary Public)



LESSEE:

PSC METALS, INC.

ATTEST:

By:

Name:

Title:

By:

Name:

Title:

Executed on this 30<sup>th</sup> day of November, 2004.

STATE OF Ohio

COUNTY OF Cuyahoga

I, Kathleen W. Jeffries, a Notary Public of the County and State aforesaid, certify that Douglas McSorley personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 30<sup>th</sup> day of November, 2004.

Notary Public

My Commission Expires:

May 20, 2007  
(Notary Public)

KATHLEEN W. JEFFRIES  
NOTARY PUBLIC, STATE OF OHIO  
Recorded on Cuyahoga County  
My Comm. Expires May 20, 2007

**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE AND ASSIGNMENT**

NUMBER OF CARS: Twenty-two (22)

DESCRIPTION OF CARS: 52' length, 5'6" foot sided, open-top mill gondola cars with 263,000 lbs.  
gross rail weight (E534)

CAR NUMBERS:

AFCX 323500  
AFCX 323501  
AFCX 323502  
AFCX 323503  
AFCX 323504  
AFCX 323505  
AFCX 323506  
AFCX 323507  
AFCX 323508  
AFCX 323509  
AFCX 323510  
AFCX 323511  
AFCX 323512  
AFCX 323513  
AFCX 323514  
AFCX 323515  
AFCX 323516  
AFCX 323517  
AFCX 323518  
AFCX 323519  
AFCX 323520  
AFCX 323521